



## 2010 STATE GENERAL REVENUE CUTS IN HIV/AIDS, STD AND VIRAL HEPATITIS PROGRAMS

### SURVEY PURPOSE AND METHODOLOGY

State and local government contributions to HIV/AIDS and viral hepatitis programs are significant. In 2007 more than one third of HIV prevention funding (\$205 million) administered by health departments in the U.S. came from state and local governments.<sup>1</sup> States also contributed 21 percent (\$328 million) of the total funding for AIDS Drug Assistance Programs (ADAPs) in 2008.<sup>2</sup> While not all states contribute to these programs, state funding has extended the reach of important programs and services in many jurisdictions. With reported state deficits in FY2009 of \$142 billion, it is important to quantify the cuts in state funding and describe their impact on the ability of state health departments to provide essential HIV/AIDS, STD and viral hepatitis prevention and care services for the communities they serve.<sup>3</sup>

In 2009, NASTAD conducted three assessments of state HIV and viral hepatitis programs to monitor the impact of state budget cuts on HIV and viral hepatitis programs for state fiscal year 2009 and anticipated cuts for 2010. NASTAD reported summary results of these cuts in March 2010. In August 2010, NASTAD and the National Coalition of STD Directors (NCSD) initiated an assessment of FY2010 budget cuts. The survey was administered in August. ADAP data contained in this report comes from the National ADAP Monitoring Report survey administered in September 2010 by NASTAD.

A total of forty-five responses to the August 2010 assessment were received from state HIV/AIDS and viral hepatitis programs as well as eight from state STD programs managed separately from HIV/AIDS and viral hepatitis.<sup>4</sup> Many of the responding states did not have final information on their FY2010 budgets, although some were already learning about additional or sustained cuts for 2011. The survey gathered information on state general revenue or state funding cuts to HIV/AIDS, STD and viral hepatitis programs only – federal funds were not included in the analysis.

---

<sup>1</sup> Kaiser Family Foundation and NASTAD, [National HIV Prevention Inventory](#). July 2009.

<sup>2</sup> Kaiser Family Foundation and NASTAD, [National ADAP Monitoring Report](#). April 2009.

<sup>3</sup> National Conference of State Legislatures, [State Budget Update: July 2009](#).

<sup>4</sup> Some of the 45 HIV/AIDS program respondents are also responsible for STD programs and viral hepatitis (and other programs) in addition to HIV/AIDS. We received responses from two U.S. affiliated Pacific Island Jurisdictions whose budgetary impacts were not included for consistency with last year's assessment. Workforce impacts were included.

## BUDGET IMPACTS

*“State cuts may devastate the program provision of care and support services....and additional ADAP cost containment strategies will ultimately occur without a solution.”*  
*- AIDS director respondent*

### **FY2009**

- In FY2009, more than \$170 million<sup>5</sup> was cut from HIV/AIDS and viral hepatitis budgets; and
- Twenty nine jurisdictions received some HIV/AIDS budget reductions.

### **FY2010**

- Thirty-two states reported cuts in at least one state HIV/AIDS or viral hepatitis funding stream in 2010, totaling almost \$60 million as of October 2010<sup>6</sup>;
- Eleven jurisdictions (both programs managed jointly with HIV and those independently-managed STD programs) reported cuts in STD funding totaling over \$1.4 million;
- Budget decreases in individual states ranged from a low of \$23,000 to a high of \$35.9 million;
- Nineteen states reported increases of \$138.5 million in state funding for ADAP<sup>7</sup>; and
- Thirteen states reported cuts to their ADAPs totaling \$17.4 million.<sup>8</sup>

### **FY2011:**

- By October 2010, almost \$11 million in state funding had already been cut from FY2011 HIV/AIDS, STD and/or viral hepatitis budgets, although not all responding jurisdictions had final information on their FY2011 state budgets.

---

<sup>5</sup> FY2009 budget cut data represents responses from 45 jurisdictions that provided budget data on the February, August or December 2009 survey. States responding included AL, AK, CA, CO, CT, De, DC, FL, GA, HI, ID, IA, KS, KY, LA, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, PA, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY.

<sup>6</sup> Jurisdictions responding and reporting FY2010 cuts include: AL, AZ, CA, CT, CO, DC, FL, GA, HI, IA, KS, KY, LA, MD, MA, MI, MN, NC, NH, NJ, NM, NY, OH, OK, OR, PA, RI, SC, TX, UT, VT, VA, WA, WI, and WY. All 50 states, the District of Columbia, PR and USVI were used as denominator for this calculation.

<sup>7</sup> Jurisdictions reporting increases in ADAP funding on the National ADAP Monitoring Report survey: AL, CA, CO, GA, IL, IA, MT, NE, NV, NH, NJ, NY, NC, OH, PA, VA, WA, WV and WI.

<sup>8</sup> Jurisdictions reporting cuts in ADAP funding on the National ADAP Monitoring Report survey: FL, ID, MI, MN, MO, OK, OR, RI, SC, TN, TX, UT and WY.

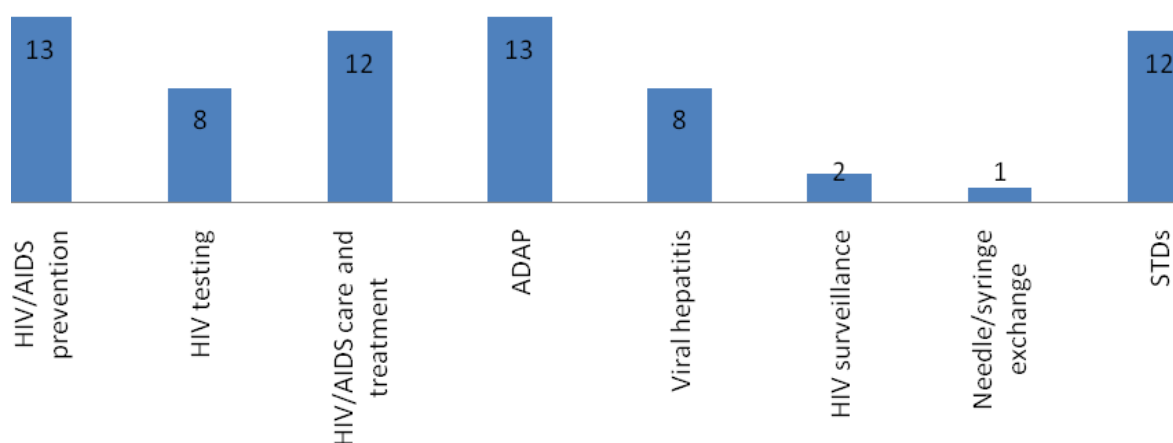
## PROGRAM CUTS

### **As of mid-2010:**

- Thirteen states reported cuts to HIV prevention programs;
- Twelve states reported cuts to care and treatment programs;
- Eight states reported cuts to viral hepatitis programs;
- Eight states reported cuts in HIV testing programs;
- Thirteen states reported cuts in contributions to ADAPs<sup>9</sup>;
- Two states reported cuts to surveillance programs; and
- Twelve states reported cuts to STD programs.

*“Morale is at an all time low. Senior management recognizes this but, this recognition has not translated into any flexibility or implementation of creative measures to assist program managers to meet the challenging program requirements with less money, less staff and increasing accountability with respect to state and federal reporting requirements.” - AIDS director respondent*

### **Number of Programs Affected by State Budget Cuts in FY2010**



## IMPACT ON PROGRAMS

In 2009, states reported efforts to mitigate the budget cuts to community providers as much as possible and absorbing most cuts at the state level. However, in 2010, responses indicate that cuts are even more acute at the state level and are beginning to be felt at the local level, particularly among local health departments.

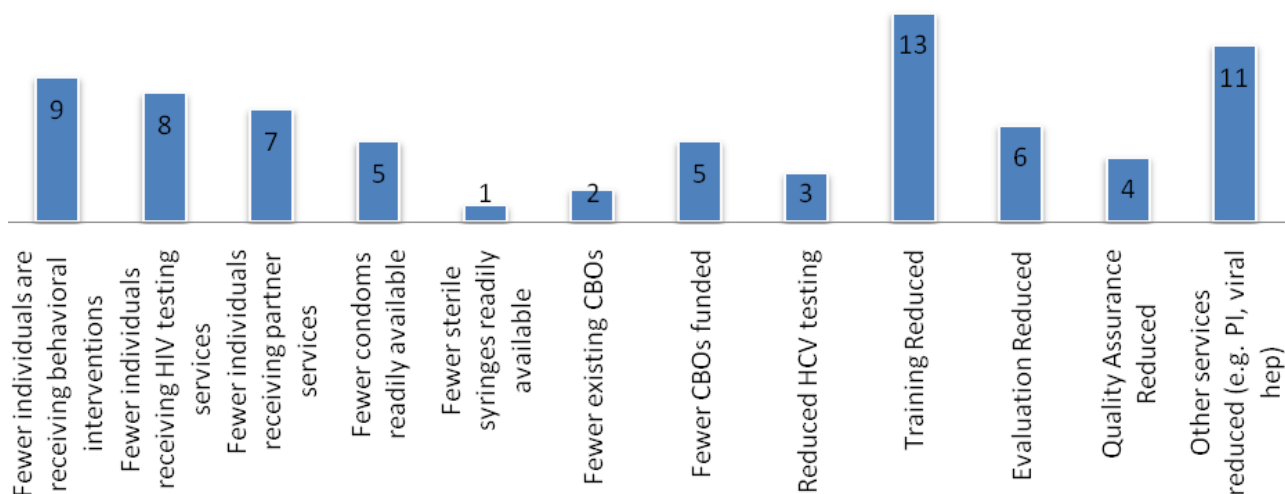
As an example of the impact these cuts can have on HIV/AIDS, STD and viral hepatitis programs, sixteen jurisdictions reported that they received **cuts in state funding for HIV testing** activities totalling over \$5.5 million. These

<sup>9</sup> As reported on the National ADAP Monitoring Report survey.

cuts represented, on average, 47 percent of state funding for testing, and fifteen testing programs (e.g. testing provided at the local health department, clinic or CBO) were de-funded as a result of these cuts. Reporting states also indicated that they purchased 20,000 fewer test kits as a result of the cuts.

*“Most cuts are at the local level. Local health jurisdictions that are not funded with State funds have taken cuts to staff and programs.” - AIDS director respondent*

### Impact of State Funding Cuts on HIV Prevention

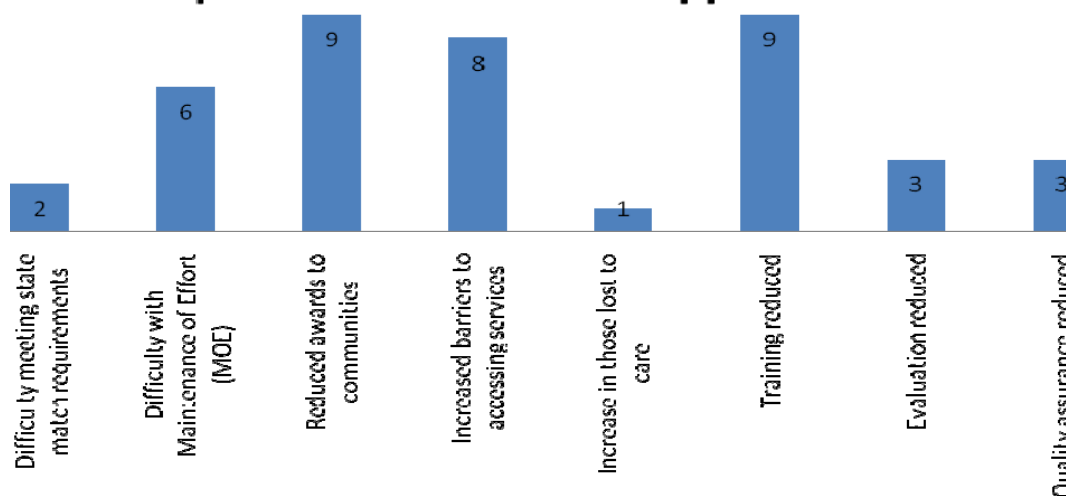


**HIV surveillance** programs have seen reductions in core surveillance activities, reduced data analysis, fewer training and evaluation activities, and the suspension or reduction of quality assurance as a result of cuts in state funding.

In terms of **viral hepatitis**, states reported that budget cuts will result in reduction of testing for hepatitis C, as well as reduced program support, training and quality assurance for viral hepatitis surveillance and prevention.

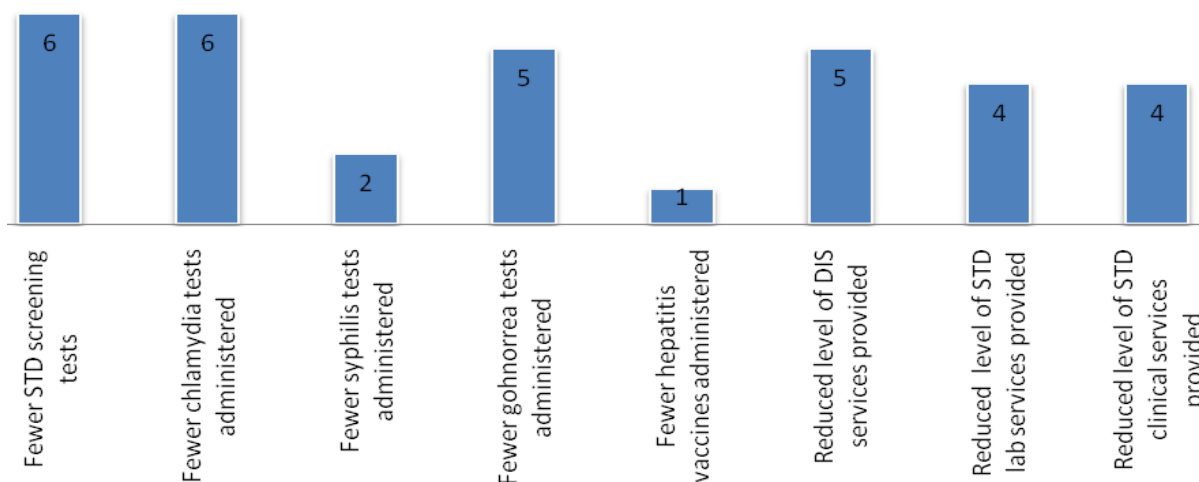
The impact of state cuts on **HIV care and medical and support services** was also reported. Nine states said they have reduced funding to AIDS service organizations, nine states said training was reduced, eight states said fewer clients would receive HIV medical or support services, six states said they were having trouble meeting the Maintenance of Effort (MOE) requirements, and five states said that clients would have longer wait times for medical and HIV case management appointments.

### Impact on Medical and Support Services



*“The timetable for needed and planned improvements to programs (social networks testing, efforts to reduce disparities, etcetera) has been scaled back substantially.” - AIDS director respondent*

### Impact of State Funding Cuts on STD Prevention



### IMPACT ON THE PUBLIC HEALTH WORKFORCE

Over the past two years, forty-one states reported over 200 open or unfilled positions in HIV/AIDS, STD and viral hepatitis programs due to reductions or hiring freezes. Thirty states have experienced hiring freezes and seventeen have had to eliminate positions. Over seventy-five positions across HIV/AIDS, STD and viral hepatitis programs have been eliminated and almost twenty staff was laid off among responding states.<sup>10</sup>

<sup>10</sup> Combines unduplicated results from the 2009 and 2010 assessments.

In 2010, twenty states (up from thirteen in 2009) reported mandatory staff furloughs ranging from 1 to 36 days a year per staff member. A thirty-six day furlough translates into three furlough days per month for each staff member, or a 14 percent pay cut.

States also reported pay cuts up to 2.5 percent, pay freezes, freezes on promotions, early retirements, realignments, combining field staff duties and the negative impact on local health department capacity.

*“If we are not allowed to fill vacant positions, we may be in jeopardy of losing federal dollars to support HIV, TB, STD and hepatitis programs.” - AIDS/STD director respondent*

The impact on staff in HIV/AIDS, STD and viral hepatitis programs is not limited to furloughs and open positions. These stressors have a cascade effect within the programs and throughout each health department. Many staff have taken on additional responsibilities within the program or elsewhere in the health department and in some cases, in both domains. Twenty-five states reported that staff have been re-assigned or tasked with additional responsibilities and fifteen states reported that staff have been reassigned or tasked with other public health assignments outside of their program, including H1N1 flu responsibilities. (In 2009, 19 states reported that staff had been re-assigned or tasked with additional public health assignments including H1N1 flu responsibilities.)

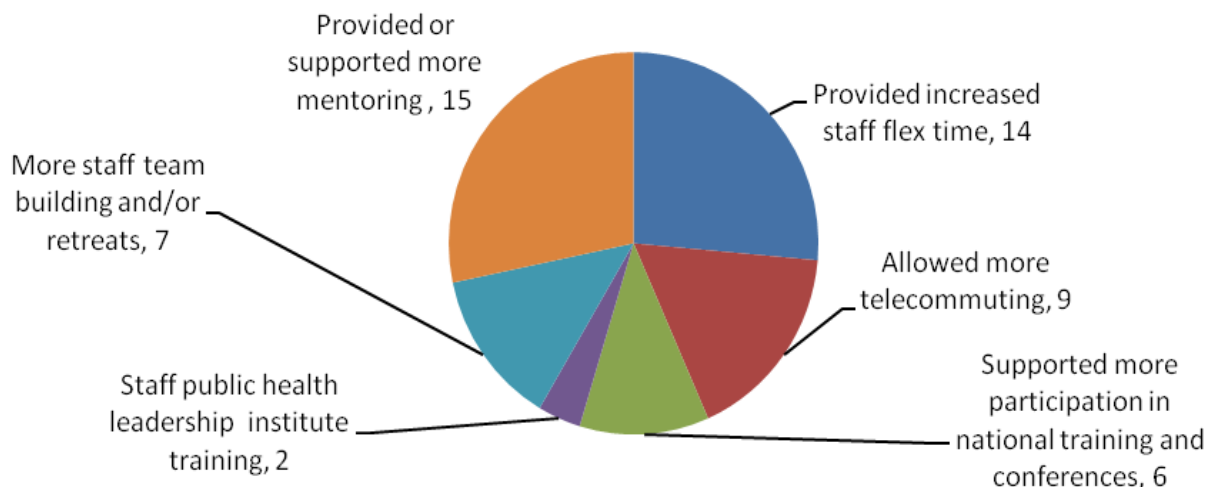
An approximate, and likely very conservative, estimate is that these stressors **impact at least 20 percent of the total workforce in state health department HIV/AIDS, STD and viral hepatitis programs** that responded.<sup>11</sup> In most jurisdictions, even positions that are 100 percent federally funded are not exempt from these impacts.

*“Upcoming elections for Governor are reported to be influencing senior management decisions regarding the desire to fill vacant positions within the health department, despite the fact that all vacant positions are fully funded with federal dollars.” - AIDS/STD director respondent*

In order to address these stressors, health departments have sought ways to mitigate the impact through existing mechanisms and opportunities. As the chart below shows, flex time, telecommuting and mentoring are being used to support staff. However, several states indicated that even these mechanisms are beyond their reach if they are to simply keep pace with the increasing amount of reporting requirements and expectations.

<sup>11</sup> In FY2009 assessments, 26 states reported a total workforce of 2023 FTE. NASTAD/NCSD used that number to come up with this estimate (#staff/open + eliminated + reassigned + layoffs). Because not all states responded to the 2009 query on total FTEs, this number is far below the actual TOTAL FTEs in HIV/AIDS, STD and viral hepatitis programs.

## Steps Taken to Mitigate Impact of Budget Cuts on Staff



These steps are clearly not adequate to address the increasing stressors on the state HIV/AIDS, STD and viral hepatitis program workforce, particularly with anticipation of increased demand for services in the current recession and plans for implementing the [National HIV/AIDS Strategy](#). NASTAD and NCSD will continue to monitor the impacts of the state fiscal crisis on health department HIV/AIDS, STD and viral hepatitis programs, including further exploring the impact on the ability of states to recruit and retain a strong and representative workforce and the strategies states are employing to mitigate the impact of these cuts.

*“Though the cuts were minimal, they had a very significant impact due to the many, many years of level or mildly declining funding from the federal level in the face of increasing numbers of persons living w/ HIV and increased new infections in youth, minority populations and gay and bisexual men. After eight years of “Do more with less” ... many programs do not have a lot of “fat” to cut, and any cuts at this point will start to significantly impact Program services.” – AIDS director respondent*

**Limitations of this Report:** This report includes data from both the 2010 NASTAD/NCSD State General Revenue Cuts survey and the National ADAP Monitoring Report survey. This report does NOT include data from all states, and also should be considered as a point-in-time assessment of state contributions, as many states did not have final 2010 budget numbers at the time they completed this assessment. A complicating factor in analysis of the data provided is that state fiscal years vary, making compilation of cumulative information from year to year challenging. This data should be used as overarching estimates of state cuts as of October 2010.